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January 26, 2006

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station, 2<sup>nd</sup> Floor  
Boston, Massachusetts 02110

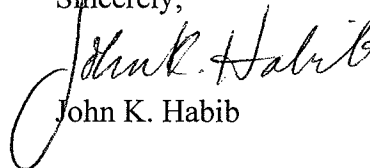
Re: Southern Union Company, D.T.E. 06-2

Dear Ms. Cottrell:

On behalf of Southern Union Company (the "Company"), please find enclosed the Company's responses to information requests issued by the Department of Telecommunications and Energy (the "Department") as referenced on the attached page.

Please do not hesitate to contact me or Cheryl Kimball if we can provide you with any additional information concerning this matter.

Sincerely,



John K. Habib

Enclosures

cc: Andrew O. Kaplan, General Counsel  
Jesse Reyes, Hearing Officer  
Kevin Brannelly, Director, Rates and Revenue Requirements Division  
George Yiankos, Director, Gas Division  
Paul E. Osborne, Assistant Director, Rates & Revenue Requirements Division  
Joseph Passaggio, Rates & Revenue Requirements  
Glenn Shippee, Rates & Revenue Requirements  
Joseph W. Rogers, Assistant Attorney General

# **RESPONSES TO INFORMATION REQUESTS**

DTE-2-1

Southern Union Company  
Department of Telecommunications and Energy  
D.T.E. 06-2  
Information Request: **DTE-2-01**  
January 26, 2006  
Person Responsible: Richard N. Marshall

Information Request DTE-2-01

Refer to the company's response to DTE 1-14 (Schedule 4.4, Sid Richardson Energy Services, Ltd. and Subsidiaries, Consolidated Financial Statements, December 31, 2004 and 2003). On page 6, in Note (2)(a), it is noted that the financial statements include the assets, liabilities, income, and expenses of Grey Ranch. Please describe the operations of Grey Ranch and its relation to SRES. Please breakout its assets, liabilities, income and expenses for its latest year-end. Finally, indicate if it is part of the SRES acquisition.

Response

Grey Ranch is part of the proposed transaction. Grey Ranch is a 50/50 partnership with ROC Gas Company, which is a wholly-owned subsidiary of Riata Energy Inc., a major producer and landowner in Texas. The Grey Ranch facility is leased from Enterprise Products Partners. The facility handles natural gas containing high levels of carbon dioxide (i.e., up to 70 percent by content). Sid Richardson Pipeline operates the facility. Grey Ranch will contribute less than three percent of the overall Gross Margin of Sid Richardson Energy Services.

The most recent financials for Grey Ranch for the year 2005 are available through November 30, 2005. The following figures are on a tax basis:

<b>Total Assets</b>	\$1,771,000
<b>Liabilities</b>	\$129,000
<b>Income</b>	\$1,365,000
<b>Expenses</b>	\$1,835,000